

SENATE BILL 3334

By Ketron

AN ACT to amend Tennessee Code Annotated, Title 7,
Chapter 52, relative to terms of employment
contracts with superintendents, general managers
and chief executive officers of governmental utility
systems.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 7-52-103, is amended by adding
the following as a new subsection (g):

(g) In addition to the authority granted under otherwise applicable law, each
municipal electric system and each other governmental utility system established by
private act that operates an electric plant have the power and are authorized, acting
through the authorization of the board or supervisory body having responsibility for the
municipal electric system or governmental utility system, to enter into an employment
contract for a term not to exceed five (5) years with the superintendent, general manager
or chief executive officer of the electric plant. Any such contract must be terminable for
cause, as more specifically defined in the contract, and the term of the contract may be
renewed. If the board or supervisory body also has responsibility for other utility systems,
and if the superintendent, general manager or chief executive officer is also the
superintendent, general manager or chief executive officer for such other systems, then
the contract may address all rights and responsibilities of such superintendent, general
manager or chief executive officer. This subsection shall only apply where, by private
act or general law, the board or supervisory body having responsibility for the municipal
electric system or governmental utility system is directly responsible for making decisions

regarding the employment of the superintendent, general manager or chief executive officer of the electric plant.

SECTION 2. Tennessee Code Annotated, Section 7-52-114(c), is amended by deleting the word "Within" at the beginning of the subsection and by substituting instead the following:

Subject only to an employment contract entered into pursuant to § 7-52-103(g), within.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.